How to solve the growing global food crisis, in three steps

BY JEFFREY SACHS

Wednesday, July 23, 2008, 6:09 PM

The surge of world food prices this year came like a bolt out of the blue, but warning lights were in fact flashing. Imbalances of global food supply and demand had been building for years beneath the public view.

It's our job now to restore a balance of food supply and demand, and to defuse the long-term factors that can still come back to haunt us.

To date, American policy has been part of the problem, not the solution. In a mix of misguided energy policy and brazen special interest politics, the U.S. adopted a bio-fuel boondoggle. Taxpayers pay billions of dollars each year to subsidize large grain companies to covert corn to ethanol. Yet on balance, corn-based ethanol saves little if any oil and natural gas, since the production of corn and its conversion to bio-fuel uses enormous amounts of energy. Meanwhile, ethanol drives up world food prices, especially considering that as much as one-third of the total corn crop this year is destined for the gas tank.

To add insult to injury, for decades the U.S. and Europe lectured Africa, Haiti and other poor countries not to subsidize their own farmers - even for farmers so deep in poverty that they can't afford to buy the most basic inputs of fertilizer and high-yield seeds in order to get started as commercial farmers.

That bad advice is only now ending, but as a result of it, Africa's and Haiti's peasant farmers have remained stuck with the world's lowest grain yields, roughly one third or one fourth of what they'd get if they planted with fertilizer and improved seeds. Matters have gotten worse over time, as soils have been depleted of nutrients because of the failure to replenish the depleted tropical soils with a proper mix of chemical and organic fertilizers. In our misguided and lobby-driven politics, we wait for food disasters to strike, and then ship emergency food aid.

We have the opportunity to start fixing things, for our own good and the world's, if we do three things fast.

First, the U.S. and other rich countries should increase funding for the World Food Program so that it can cover the rising costs of its urgent programs to feed the world's hungriest and most vulnerable people. The WFP needs around $2 billion in the coming year, which comes to around $2 per each person in the U.S., Europe and Japan.

Second, we need to cut drastically the misguided U.S. bio-fuels program. This will save billions of taxpayer dollars, lower food prices and help to relieve the crisis hitting the poorest of the poor. We should focus instead on developing a second generation of bio-fuels using woodchips and other nonfood biomass rather than corn.

Third, let's truly help Africa, Haiti and other impoverished countries end the cycle of famine and emergency food aid, by helping the poorest farmers get started with fertilizer, improved seeds and small-scale irrigation equipment where applicable. Africa could double its food production within five years. There's already one success story: the southern African country of Malawi, which has roughly doubled its food production since 2005.
Doubling grain production in **sub-Saharan Africa** would mean roughly 100 million tons more of cereal grains, more than enough to replace its current imports of around 35 million tons. The cost to the rich countries would be around $10 per person per year, one of the great bargains on the planet. Food prices would ease worldwide.

There's a fourth matter that we've not talked about in years, which we also need to restore to the national policy agenda if we're to solve the food crisis for the long term. The average woman in sub-Saharan Africa is having five children. At this rate, Africa's population will more than double by 2050. Access to family planning - backed by girls' education and empowerment - must be part of the solution to hunger and food insecurity.

*Sachs is director of the Earth Institute at Columbia University and author of “Common Wealth: Economics for a Crowded Planet.”*